

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CYBERSPACE.COM, LLC, *et al.*,

Defendants.

No. C00-1806RSL

ORDER DENYING MOTION  
TO MODIFY

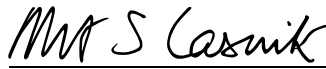
This matter comes before the Court on defendants' "Motion to Modify Order." Dkt. # 329. By order dated January 7, 2008, the Court disbursed to the FTC \$1,400,000 from the Court's registry, which sum the FTC was to transfer to defendants Ian Eisenberg and Olympic Telecommunications, Inc. (hereinafter "the Eisenberg defendants"). Defendants Chris Hebard and Coto Settlement (hereinafter, "the Hebard defendants") claim that they are the rightful owners of those funds because the Eisenberg defendants wrongfully withheld monies when the subsidiary corporate entities dissolved. On January 8, 2008, the Hebard defendants filed a state court action alleging, among other things, breach of fiduciary duties, conversion, and unjust enrichment. After notice to the Eisenberg defendants, the state court issued a temporary restraining order compelling the Eisenberg defendants to place the \$1,400,000 into the registry of the Superior Court of King County. On January 25, 2008, the Eisenberg defendants removed the state court action: it is now pending in this district before the Honorable Ricardo S. Martinez.

ORDER DENYING MOTION TO MODIFY

1 As far as this Court is concerned, the \$1,400,000 that was disbursed from this  
2 Court's registry belongs to the Eisenberg defendants. The Eisenberg defendants paid well over  
3 that amount into the redress fund and, with the agreement of the FTC, the Court ordered that the  
4 money be returned to them. The \$1,400,000 is no longer within the possession or control of this  
5 Court. To the extent that another court has since determined that the Hebard defendants have an  
6 interest in the money, the appropriate course of action would be a motion to compel compliance  
7 with the temporary restraining order in that court (or its successor).

8  
9 For all of the foregoing reasons, the Hebard defendants' motion to modify the  
10 January 7, 2008, order is DENIED.

11  
12 Dated this 3rd day of March, 2008.

13   
14 Robert S. Lasnik  
15 United States District Judge  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26